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TRACEY CORDES, CLERK
U.S. DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
BY: EC /

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

DARRYL STANLEY HORTON,

Defendant.

No.

1:10-cr-30

Hon.

Robert J. Jonker
U.S. District Judge

INDICTMENT

The Grand Jury charges:

COUNT ONE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about March 7, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of R.S.D. for the calendar year 2004. The
return was false and fraudulent as to a material matter, in that it represented that R.S.D.
was entitled, under the provisions of the Internal Revenue laws, to claim head of
household filing status, to claim the head of household standard deduction of
\$7,150.00, and to claim an Earned Income Credit of \$2,604.00, whereas, as the
defendant then and there knew, under the provisions of the Internal Revenue laws,

R.S.D.'s true filing status was in fact married filing separately and R.S.D. was not entitled to claim head of household filing status, to claim the head of household standard deduction, and to claim an Earned Income Credit. The return was further false and fraudulent as to a material matter, in that it represented that R.S.D. was entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$4,192.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, R.S.D. was entitled to claim a refund of only \$1,482.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWO

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 17, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of R.S.D. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that R.S.D.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss for a janitorial business of \$8,947.00, whereas, as the defendant then and there
knew, under the provisions of the Internal Revenue laws, R.S.D. was not entitled to
claim a business loss for the janitorial business as the business had no income or
expenses during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that R.S.D. was entitled, under the provisions of
the Internal Revenue laws, to claim a refund of \$7,951.00, whereas, as the defendant
then and there knew, under the provisions of the Internal Revenue laws, R.S.D. was
entitled to claim a refund of only \$2,271.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THREE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 10, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of R.S.D. for the calendar year 2006. The return was false and fraudulent as to a material matter, in that it represented that R.S.D. was entitled, under the provisions of the Internal Revenue laws, to claim a business loss for a janitorial business of \$4,980.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, R.S.D. was not entitled to claim a business loss for the janitorial business as the business had no income or expenses during the calendar year. The return was further false and fraudulent as to a material matter, in that it represented that R.S.D. was entitled, under the provisions of the Internal Revenue laws, to claim a business loss for S-Corporation Contours Express-Fruit First of \$24,075.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, R.S.D. was not entitled to claim a business loss for S-Corporation Contours Express-Fruit First. The return was further false and fraudulent as to a material matter, in that it represented that R.S.D. was entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$18,108.00, whereas, as the defendant then and there knew, under the provisions of

the Internal Revenue laws, R.S.D. in fact had tax due and owing of \$3,213.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FOUR

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 18, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.L.F. and P.A.F. for the calendar year
2004. The return was false and fraudulent as to a material matter, in that it represented
that A.L.F. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss for ministry of \$31,100.00, whereas, as the defendant then and there
knew, under the provisions of the Internal Revenue laws, A.L.F. was not entitled to
claim a business loss for ministry as he did not operate a ministry as a business during
the calendar year. The return was further false and fraudulent as to a material matter,
in that it represented that A.L.F. and P.A.F. were entitled, under the provisions of the
Internal Revenue laws, to claim an itemized deduction for bad debt of \$3,000.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, A.L.F. and P.A.F. were not entitled to claim an itemized deduction for
bad debt as there was no bad debt. The return was further false and fraudulent as to a
material matter, in that it represented that A.L.F. and P.A.F. were entitled, under the
provisions of the Internal Revenue laws, to claim a refund of \$9,170.00, whereas, as
the defendant then and there knew, under the provisions of the Internal Revenue laws,

A.L.F. and P.A.F. were entitled to claim a refund of only \$744.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FIVE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 18, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.L.F. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that A.L.F.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss for ministry of \$32,191.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, A.L.F. was not entitled to claim a business
loss for ministry as he did not operate a ministry as a business during the calendar
year. The return was further false and fraudulent as to a material matter, in that it
represented that A.L.F. was entitled, under the provisions of the Internal Revenue laws,
to claim an itemized deduction for bad debt of \$3,000.00, whereas, as the defendant
then and there knew, under the provisions of the Internal Revenue laws, A.L.F. was not
entitled to claim an itemized deduction for bad debt as there was no bad debt. The
return was further false and fraudulent as to a material matter, in that it represented that
A.L.F. was entitled, under the provisions of the Internal Revenue laws, to claim a refund
of \$8,924.00, whereas, as the defendant then and there knew, under the provisions of

the Internal Revenue laws, A.L.F. was entitled to claim a refund of only \$3,715.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT SIX

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 19, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.L.F. for the calendar year 2006. The
return was false and fraudulent as to a material matter, in that it represented that A.L.F.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss for ministry of \$28,818.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, A.L.F. was not entitled to claim a business
loss for ministry as he did not operate a ministry as a business during the calendar
year. The return was further false and fraudulent as to a material matter, in that it
represented that A.L.F. was entitled, under the provisions of the Internal Revenue laws,
to claim an itemized deduction for bad debt of \$3,000.00, whereas, as the defendant
then and there knew, under the provisions of the Internal Revenue laws, A.L.F. was not
entitled to claim an itemized deduction for bad debt as there was no bad debt. The
return was further false and fraudulent as to a material matter, in that it represented that
A.L.F. was entitled, under the provisions of the Internal Revenue laws, to claim a refund
of \$9,514.00, whereas, as the defendant then and there knew, under the provisions of

the Internal Revenue laws, A.L.F. was entitled to claim a refund of only \$3,872.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT SEVEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 28, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.L.F. for the calendar year 2007. The
return was false and fraudulent as to a material matter, in that it represented that A.L.F.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss for ministry of \$53,377.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, A.L.F. was not entitled to claim a business
loss for ministry as he did not operate a ministry as a business during the calendar
year. The return was further false and fraudulent as to a material matter, in that it
represented that A.L.F. was entitled, under the provisions of the Internal Revenue laws,
to claim an itemized deduction for bad debt of \$3,005.00, whereas, as the defendant
then and there knew, under the provisions of the Internal Revenue laws, A.L.F. was not
entitled to claim an itemized deduction for bad debt as there was no bad debt. The
return was further false and fraudulent as to a material matter, in that it represented that
A.L.F. was entitled, under the provisions of the Internal Revenue laws, to claim a refund
of \$9,144.00, whereas, as the defendant then and there knew, under the provisions of

the Internal Revenue laws, A.L.F. in fact had tax due and owing of \$5,760.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT EIGHT

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 28, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of P.F. for the calendar year 2007. The
return was false and fraudulent as to a material matter, in that it represented that P.F.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss for an insurance business of \$11,214.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, P.F. was not entitled to
claim a business loss for an insurance business as she did not operate an insurance
business during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that P.F. was entitled, under the provisions of the
Internal Revenue laws, to claim a refund of \$4,180.00, whereas, as the defendant then
and there knew, under the provisions of the Internal Revenue laws, P.F. was entitled to
claim a refund of only \$1,154.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT NINE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 10, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.G. and P.G. for the calendar year 2004.
The return was false and fraudulent as to a material matter, in that it represented that
D.G. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss for a trucking business of \$12,945.00, whereas, as the defendant then
and there knew, under the provisions of the Internal Revenue laws, D.G. was not
entitled to claim a business loss for a trucking business as he did not operate a trucking
business during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that D.G. and P.G. were entitled, under the
provisions of the Internal Revenue laws, to claim a refund of \$3,167.00, whereas, as
the defendant then and there knew, under the provisions of the Internal Revenue laws,
D.G. and P.G. were entitled to claim a refund of only \$1,218.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 1, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.G. and P.G. for the calendar year 2005.
The return was false and fraudulent as to a material matter, in that it represented that
D.G. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss for a trucking business of \$17,477.00, whereas, as the defendant then
and there knew, under the provisions of the Internal Revenue laws, D.G. was not
entitled to claim a business loss for a trucking business as he did not operate a trucking
business during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that D.G. and P.G. were entitled, under the
provisions of the Internal Revenue laws, to claim a refund of \$3,508.00, whereas, as
the defendant then and there knew, under the provisions of the Internal Revenue laws,
D.G. and P.G. were entitled to claim a refund of only \$1,373.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT ELEVEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 15, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.G. and P.G. for the calendar year 2006.
The return was false and fraudulent as to a material matter, in that it represented that
D.G. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss for a trucking business of \$5,689.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, D.G. was not entitled to
claim a business loss for a trucking business as he did not operate a trucking business
during the calendar year. The return was further false and fraudulent as to a material
matter, in that it represented that D.G. was entitled, under the provisions of the Internal
Revenue laws, to claim an itemized deduction for unreimbursed business expenses of
\$11,782.00, whereas, as the defendant then and there knew, under the provisions of
the Internal Revenue laws, D.G. was not entitled to claim an itemized deduction for
unreimbursed business expenses. The return was further false and fraudulent as to a
material matter, in that it represented that D.G. and P.G. were entitled, under the
provisions of the Internal Revenue laws, to claim a refund of \$5,078.00, whereas, as
the defendant then and there knew, under the provisions of the Internal Revenue laws,

D.G. and P.G. were entitled to claim a refund of only \$510.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWELVE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 11, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.G. and P.G. for the calendar year 2007.
The return was false and fraudulent as to a material matter, in that it represented that
D.G. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss for a trucking business of \$12,223.00, whereas, as the defendant then
and there knew, under the provisions of the Internal Revenue laws, D.G. was not
entitled to claim a business loss for a trucking business as he did not operate a trucking
business during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that D.G. was entitled, under the provisions of the
Internal Revenue laws, to claim an itemized deduction for unreimbursed business
expenses of \$12,894.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, D.G. was not entitled to claim an itemized
deduction for unreimbursed business expenses. The return was further false and
fraudulent as to a material matter, in that it represented that D.G. and P.G. were
entitled, under the provisions of the Internal Revenue laws, to claim an itemized
deduction for home mortgage interest of \$12,577.00, whereas, as the defendant then

and there knew, under the provisions of the Internal Revenue laws, D.G. and P.G. were entitled to claim an itemized deduction for home mortgage interest of only \$9,135.00.

The return was further false and fraudulent as to a material matter, in that it represented that D.G. and P.G. were entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$6,081.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, D.G. and P.G. were entitled to claim a refund of only \$927.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTEEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about May 17, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of K.H. for the calendar year 2006. The
return was false and fraudulent as to a material matter, in that it represented that K.H.
was entitled, under the provisions of the Internal Revenue laws, to claim a capital gain
of \$69,128.00 as a result of selling \$290,108.00 of stock with a cost basis of
\$220,980.00, whereas, as the defendant then and there knew, under the provisions of
the Internal Revenue laws, K.H. was required to claim a capital gain of \$290,108.00
because the cost basis of the stock sold was \$0.00. The return was further false and
fraudulent as to a material matter, in that it represented that K.H. was entitled, under
the provisions of the Internal Revenue laws, to claim a refund of \$2,960.00, whereas,
as the defendant then and there knew, under the provisions of the Internal Revenue
laws, K.H. in fact had tax due and owing of \$69,323.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FOURTEEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 24, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.L. for the calendar year 2006. The
return was false and fraudulent as to a material matter, in that it represented that D.L.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss for a prepare services business of \$9,557.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, D.L. was not entitled to
claim a business loss for a prepare services business as she did not operate a
business during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that D.L. was entitled, under the provisions of the
Internal Revenue laws, to claim a refund of \$4,143.00, whereas, as the defendant then
and there knew, under the provisions of the Internal Revenue laws, D.L. was entitled to
claim a refund of only \$2,703.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FIFTEEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 19, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.L. for the calendar year 2007. The
return was false and fraudulent as to a material matter, in that it represented that D.L.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss for a prepare services business of \$12,913.00, whereas, as the defendant then
and there knew, under the provisions of the Internal Revenue laws, D.L. was not
entitled to claim a business loss for a prepare services business as she did not operate
a business during the calendar year. The return was further false and fraudulent as to
a material matter, in that it represented that D.L. was entitled, under the provisions of
the Internal Revenue laws, to claim a refund of \$2,552.00, whereas, as the defendant
then and there knew, under the provisions of the Internal Revenue laws, D.L. was
entitled to claim a refund of only \$610.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT SIXTEEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 15, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of J.C.M. for the calendar year 2004. The return was false and fraudulent as to a material matter, in that it represented that J.C.M. was entitled, under the provisions of the Internal Revenue laws, to claim a business loss from Blessed AFC of \$2,384.00, a business net profit from Blessed Manor of \$2,947.00, and a business loss of \$973.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, J.C.M. was not entitled to claim a business loss and in fact had a combined net profit of \$14,754.00 during the calendar year. The return was further false and fraudulent as to a material matter, in that it represented that J.C.M. was entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$7,248.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, J.C.M. was entitled to claim a refund of only \$3,857.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT SEVENTEEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 8, 2006, in the Western District of Michigan, Southern Division,
the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of J.C.M. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that J.C.M.
was entitled, under the provisions of the Internal Revenue laws, to claim an Earned
Income Credit of \$4,070.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, J.C.M. was not entitled to claim an Earned
Income Credit for the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that J.C.M. was entitled, under the provisions of
the Internal Revenue laws, to claim a refund of \$10,281.00, whereas, as the defendant
then and there knew, under the provisions of the Internal Revenue laws, J.C.M. was
entitled to claim a refund of only \$5,874.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT EIGHTEEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 11, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of A.O.M. for the calendar year 2006. The return was false and fraudulent as to a material matter, in that it represented that A.O.M. was entitled, under the provisions of the Internal Revenue laws, to claim a net business profit of \$9,385.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, A.O.M.'s net business profit was \$22,727.00 during the calendar year. The return was further false and fraudulent as to a material matter, in that it represented that A.O.M. was entitled, under the provisions of the Internal Revenue laws, to claim an Earned Income Credit of \$260.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, A.O.M. was not entitled to claim an Earned Income Credit. The return was further false and fraudulent as to a material matter, in that it represented that A.O.M. had, under the provisions of the Internal Revenue laws, tax due and owing of \$1,086.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, A.O.M. in fact had tax due and owing of \$3,232.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT NINETEEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about March 18, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.D.M. for the calendar year 2004. The
return was false and fraudulent as to a material matter, in that it represented that
C.D.M. was entitled, under the provisions of the Internal Revenue laws, to claim a net
business profit from a nail salon of \$7,232.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, C.D.M. had a net
business profit of \$47,250.00 during the calendar year. The return was further false
and fraudulent as to a material matter, in that it represented that C.D.M. was entitled,
under the provisions of the Internal Revenue laws, to claim a refund of \$2,143.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, C.D.M. in fact had tax due and owing of \$6,365.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about March 19, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.D.M. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that
C.D.M. was entitled, under the provisions of the Internal Revenue laws, to claim a net
business profit from a nail salon of \$1,129.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, C.D.M. had a net
business profit of \$68,375.00 during the calendar year. The return was further false
and fraudulent as to a material matter, in that it represented that C.D.M. was entitled,
under the provisions of the Internal Revenue laws, to claim federal income tax
withholding of \$1,063.00 as an employee of the State of Michigan, whereas, as the
defendant then and there knew, under the provisions of the Internal Revenue laws,
C.D.M. in fact was not entitled to claim federal income tax withholding as an employee
of the State of Michigan and was not an employee of the State of Michigan during the
calendar year. The return was further false and fraudulent as to a material matter, in
that it represented that C.D.M. was entitled, under the provisions of the Internal
Revenue laws, to claim a refund of \$3,580.00, whereas, as the defendant then and

there knew, under the provisions of the Internal Revenue laws, C.D.M. in fact had tax due and owing of \$14,270.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-ONE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 1, 2007, in the Western District of Michigan, Southern Division,
the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.D.M. for the calendar year 2006. The
return was false and fraudulent as to a material matter, in that it represented that
C.D.M. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss from a nail salon of \$14,758.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, C.D.M. had a net
business profit of \$61,085.00 during the calendar year. The return was further false
and fraudulent as to a material matter, in that it represented that C.D.M. was entitled,
under the provisions of the Internal Revenue laws, to claim a refund of \$3,230.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, C.D.M. in fact had tax due and owing of \$11,577.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-TWO

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 12, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.D.M. for the calendar year 2007. The
return was false and fraudulent as to a material matter, in that it represented that
C.D.M. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss from a nail salon of \$9,539.00, whereas, as the defendant then and there
knew, under the provisions of the Internal Revenue laws, C.D.M. had a net business
profit of \$81,978.00 during the calendar year. The return was further false and
fraudulent as to a material matter, in that it represented that C.D.M. was entitled, under
the provisions of the Internal Revenue laws, to claim a refund of \$2,400.00, whereas,
as the defendant then and there knew, under the provisions of the Internal Revenue
laws, C.D.M. in fact had tax due and owing of \$19,526.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-THREE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 5, 2006, in the Western District of Michigan, Southern Division,
the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.L.M. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that D.L.M.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss from child care of \$6,950.00, whereas, as the defendant then and there knew,
under the provisions of the Internal Revenue laws, D.L.M. had no child care business
during the calendar year. The return was further false and fraudulent as to a material
matter, in that it represented that D.L.M. was entitled, under the provisions of the
Internal Revenue laws, to claim an Earned Income Credit of \$2,662.00, whereas, as the
defendant then and there knew, under the provisions of the Internal Revenue laws,
D.L.M. was not entitled to claim an Earned Income Credit. The return was further false
and fraudulent as to a material matter, in that it represented that D.L.M. was entitled,
under the provisions of the Internal Revenue laws, to claim a refund of \$3,560.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, D.L.M. was entitled to claim a refund of only \$1,000.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-FOUR

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about May 24, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of D.P. and J.S.P. for the calendar year
2006. The return was false and fraudulent as to a material matter, in that it represented
that J.S.P. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss for Creative Memories of \$12,427.00, whereas, as the defendant then
and there knew, under the provisions of the Internal Revenue laws, J.S.P. was entitled
to claim a business loss of only \$2,387.00. The return was further false and fraudulent
as to a material matter, in that it represented that D.P. and J.S.P. were entitled, under
the provisions of the Internal Revenue laws, to claim an itemized deduction for home
mortgage interest of \$25,293.00, whereas, as the defendant then and there knew,
under the provisions of the Internal Revenue laws, D.P. and J.S.P. were entitled to
claim an itemized deduction for home mortgage interest of only \$14,595.00. The return
was further false and fraudulent as to a material matter, in that it represented that D.P.
and J.S.P. were entitled, under the provisions of the Internal Revenue laws, to claim a
refund of \$16,501.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, D.P. and J.S.P. were entitled to claim a refund

of only \$11,163.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-FIVE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 31, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of W.R. for the calendar year 2004. The
return was false and fraudulent as to a material matter, in that it represented that W.R.
was entitled, under the provisions of the Internal Revenue laws, to claim an education
credit of \$1,083.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, W.R. was not entitled to claim an education
credit. The return was further false and fraudulent as to a material matter, in that it
represented that W.R. was entitled, under the provisions of the Internal Revenue laws,
to claim a refund of \$4,549.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, W.R. was entitled to claim a refund of only
\$3,443.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-SIX

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 12, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of W.R. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that W.R.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss of \$16,558.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, W.R. was entitled to claim a business loss of
only \$6,970.00. The return was further false and fraudulent as to a material matter, in
that it represented that W.R. was entitled, under the provisions of the Internal Revenue
laws, to claim an education credit of \$1,500.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, W.R. was not entitled to
claim an education credit. The return was further false and fraudulent as to a material
matter, in that it represented that W.R. was entitled, under the provisions of the Internal
Revenue laws, to claim credit for federal income tax withholding of \$6,773.00, whereas,
as the defendant then and there knew, under the provisions of the Internal Revenue
laws, W.R. was entitled to claim credit for federal income tax withholding of only
\$6,272.00. The return was further false and fraudulent as to a material matter, in that it

represented that W.R. was entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$6,504.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, W.R. was entitled to claim a refund of only \$3,063.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-SEVEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 22, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of W.R. for the calendar year 2006. The
return was false and fraudulent as to a material matter, in that it represented that W.R.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss of \$14,118.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, W.R. was entitled to claim a business loss of
only \$5,280.00. The return was further false and fraudulent as to a material matter, in
that it represented that W.R. was entitled, under the provisions of the Internal Revenue
laws, to claim an education credit of \$1,650.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, W.R. was not entitled to
claim an education credit. The return was further false and fraudulent as to a material
matter, in that it represented that W.R. was entitled, under the provisions of the Internal
Revenue laws, to claim a refund of \$6,294.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, W.R. was entitled to
claim a refund of only \$3,316.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-EIGHT

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 26, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of W.R. for the calendar year 2007. The
return was false and fraudulent as to a material matter, in that it represented that W.R.
was entitled, under the provisions of the Internal Revenue laws, to claim a business
loss of \$9,940.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, W.R. was entitled to claim a business loss of
only \$4,624.00. The return was further false and fraudulent as to a material matter, in
that it represented that W.R. was entitled, under the provisions of the Internal Revenue
laws, to claim an itemized deduction for miscellaneous loss of \$3,000.00, whereas, as
the defendant then and there knew, under the provisions of the Internal Revenue laws,
W.R. was not entitled to claim an itemized deduction for miscellaneous loss. The return
was further false and fraudulent as to a material matter, in that it represented that W.R.
was entitled, under the provisions of the Internal Revenue laws, to claim a refund of
\$4,646.00, whereas, as the defendant then and there knew, under the provisions of the
Internal Revenue laws, W.R. was entitled to claim a refund of only \$3,401.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT TWENTY-NINE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 15, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.R. and A.B. for the calendar year 2004.
The return was false and fraudulent as to a material matter, in that it represented that
A.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$15,534.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, A.R. was not entitled to claim a business
loss as he did not own a business during the calendar year. The return was further
false and fraudulent as to a material matter, in that it failed to report \$10,000.00 in
income for A.B. The return was further false and fraudulent as to a material matter, in
that it represented that A.R. and A.B. were entitled, under the provisions of the Internal
Revenue laws, to claim a self-employed health insurance deduction of \$6,130.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, A.R. and A.B. were not entitled to claim a self-employed health
insurance deduction. The return was further false and fraudulent as to a material
matter, in that it represented that A.R. and A.B. were entitled, under the provisions of
the Internal Revenue laws, to claim a self-employed SEP, SIMPLE, and qualified plans

deduction of \$8,800.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, A.R. and A.B. were not entitled to claim a self-employed SEP, SIMPLE, and qualified plans deduction. The return was further false and fraudulent as to a material matter, in that it represented that A.R. and A.B. were entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$27,855.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, A.R. and A.B. were entitled to claim a refund of only \$8,137.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 22, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.R. and A.B. for the calendar year 2005.
The return was false and fraudulent as to a material matter, in that it represented that
A.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$14,410.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, A.R. was not entitled to claim a business
loss as he did not own a business during the calendar year. The return was further
false and fraudulent as to a material matter, in that it failed to report \$10,000.00 in
income for A.B. The return was further false and fraudulent as to a material matter, in
that it represented that A.R. and A.B. were entitled, under the provisions of the Internal
Revenue laws, to claim a self-employed health insurance deduction of \$2,258.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, A.R. and A.B. were not entitled to claim a self-employed health
insurance deduction. The return was further false and fraudulent as to a material
matter, in that it represented that A.R. and A.B. were entitled, under the provisions of
the Internal Revenue laws, to claim a refund of \$25,117.00, whereas, as the defendant

then and there knew, under the provisions of the Internal Revenue laws, A.R. and A.B. were entitled to claim a refund of only \$16,645.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-ONE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 12, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.R. and A.B. for the calendar year 2006.
The return was false and fraudulent as to a material matter, in that it represented that
A.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$10,003.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, A.R. was not entitled to claim a business
loss as he did not own a business during the calendar year. The return was further
false and fraudulent as to a material matter, in that it failed to report \$10,000.00 in
income for A.B. The return was further false and fraudulent as to a material matter, in
that it represented that A.R. and A.B. were entitled, under the provisions of the Internal
Revenue laws, to claim a self-employed health insurance deduction of \$2,055.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, A.R. and A.B. were not entitled to claim a self-employed health
insurance deduction. The return was further false and fraudulent as to a material
matter, in that it represented that A.R. and A.B. were entitled, under the provisions of
the Internal Revenue laws, to claim a refund of \$17,637.00, whereas, as the defendant

then and there knew, under the provisions of the Internal Revenue laws, A.R. and A.B. in fact had tax due and owing of \$2,995.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-TWO

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about March 30, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of A.R. and A.B. for the calendar year 2007.
The return was false and fraudulent as to a material matter, in that it represented that
A.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$24,539.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, A.R. was not entitled to claim a business
loss as he did not own a business during the calendar year. The return was further
false and fraudulent as to a material matter, in that it represented that A.R. and A.B.
were entitled, under the provisions of the Internal Revenue laws, to claim a refund of
\$13,591.00, whereas, as the defendant then and there knew, under the provisions of
the Internal Revenue laws, A.R. and A.B. were entitled to claim a refund of only
\$7,033.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-THREE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 27, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.G.S. for the calendar year 2004. The
return was false and fraudulent as to a material matter, in that it represented that
C.G.S. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$14,247.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, C.G.S. was entitled to claim a business
loss of only \$6,291.00 during the calendar year. The return was further false and
fraudulent as to a material matter, in that it represented that C.G.S. was entitled, under
the provisions of the Internal Revenue laws, to claim an education credit of \$1,500.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, C.G.S. was not entitled to claim an education credit. The return was
further false and fraudulent as to a material matter, in that it represented that C.G.S.
was entitled, under the provisions of the Internal Revenue laws, to claim a refund of
\$3,761.00, whereas, as the defendant then and there knew, under the provisions of the
Internal Revenue laws, C.G.S. was entitled to claim a refund of only \$796.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-FOUR

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 15, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.G.S. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that
C.G.S. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$16,028.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, C.G.S. was entitled to claim a business
profit of \$14.00 during the calendar year. The return was further false and fraudulent
as to a material matter, in that it represented that C.G.S. was entitled, under the
provisions of the Internal Revenue laws, to claim an education credit of \$1,500.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, C.G.S. was not entitled to claim an education credit. The return was
further false and fraudulent as to a material matter, in that it represented that C.G.S.
was entitled, under the provisions of the Internal Revenue laws, to claim a refund of
\$4,606.00, whereas, as the defendant then and there knew, under the provisions of the
Internal Revenue laws, C.G.S. in fact had tax due and owing of \$99.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-FIVE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about February 9, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.G.S. for the calendar year 2006. The
return was false and fraudulent as to a material matter, in that it represented that
C.G.S. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$13,248.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, C.G.S. was not entitled to claim a business
loss during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that C.G.S. was entitled, under the provisions of
the Internal Revenue laws, to claim an education credit of \$1,650.00, whereas, as the
defendant then and there knew, under the provisions of the Internal Revenue laws,
C.G.S. was not entitled to claim an education credit. The return was further false and
fraudulent as to a material matter, in that it represented that C.G.S. was entitled, under
the provisions of the Internal Revenue laws, to claim a refund of \$3,949.00, whereas,
as the defendant then and there knew, under the provisions of the Internal Revenue
laws, C.G.S. in fact had tax due and owing of \$66.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-SIX

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about March 19, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of C.G.S. for the calendar year 2007. The
return was false and fraudulent as to a material matter, in that it represented that
C.G.S. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$12,035.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, C.G.S. was not entitled to claim a business
loss during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that C.G.S. was entitled, under the provisions of
the Internal Revenue laws, to claim an education credit of \$1,650.00, whereas, as the
defendant then and there knew, under the provisions of the Internal Revenue laws,
C.G.S. was not entitled to claim an education credit. The return was further false and
fraudulent as to a material matter, in that it represented that C.G.S. was entitled, under
the provisions of the Internal Revenue laws, to claim a refund of \$3,709.00, whereas,
as the defendant then and there knew, under the provisions of the Internal Revenue
laws, C.G.S. in fact had tax due and owing of \$36.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-SEVEN

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 2, 2007, in the Western District of Michigan, Southern Division,
the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of O.D.T. and R.T. for the calendar year
2006. The return was false and fraudulent as to a material matter, in that it represented
that R.T. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$10,480.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, R.T. was not entitled to claim a business
loss during the calendar year. The return was further false and fraudulent as to a
material matter, in that it represented that O.D.T. and R.T. were entitled, under the
provisions of the Internal Revenue laws, to claim a refund of \$7,672.00, whereas, as
the defendant then and there knew, under the provisions of the Internal Revenue laws,
O.D.T. and R.T. were entitled to claim a refund of only \$5,471.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-EIGHT

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 15, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of P.W.R. for the calendar year 2004. The return was false and fraudulent as to a material matter, in that it represented that P.W.R. was entitled, under the provisions of the Internal Revenue laws, to claim a business loss of \$3,150.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, P.W.R. was not entitled to claim a business loss during the calendar year. The return was further false and fraudulent as to a material matter, in that it represented that P.W.R. was entitled, under the provisions of the Internal Revenue laws, to claim an education credit of \$1,500.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, P.W.R. was not entitled to claim an education credit. The return was further false and fraudulent as to a material matter, in that it represented that P.W.R. was entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$2,863.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, P.W.R. was entitled to claim a refund of only \$483.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT THIRTY-NINE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 18, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of P.W.R. for the calendar year 2005. The
return was false and fraudulent as to a material matter, in that it represented that
P.W.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$10,860.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, P.W.R. was not entitled to claim a
business loss during the calendar year. The return was further false and fraudulent as
to a material matter, in that it represented that P.W.R. was entitled, under the provisions
of the Internal Revenue laws, to claim credit for federal income tax withholding of
\$6,165.00, whereas, as the defendant then and there knew, under the provisions of the
Internal Revenue laws, P.W.R. was entitled to claim credit for federal income tax
withholding of only \$5,665.00. The return was further false and fraudulent as to a
material matter, in that it represented that P.W.R. was entitled, under the provisions of
the Internal Revenue laws, to claim a refund of \$3,489.00, whereas, as the defendant
then and there knew, under the provisions of the Internal Revenue laws, P.W.R. was

entitled to claim a refund of only \$906.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FORTY

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 23, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of P.W.R. for the calendar year 2006. The
return was false and fraudulent as to a material matter, in that it represented that
P.W.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$13,662.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, P.W.R. was not entitled to claim a
business loss during the calendar year. The return was further false and fraudulent as
to a material matter, in that it represented that P.W.R. was entitled, under the provisions
of the Internal Revenue laws, to claim an education credit of \$1,175.00, whereas, as
the defendant then and there knew, under the provisions of the Internal Revenue laws,
P.W.R. was not entitled to claim an education credit. The return was further false and
fraudulent as to a material matter, in that it represented that P.W.R. was entitled, under
the provisions of the Internal Revenue laws, to claim a refund of \$4,818.00, whereas,
as the defendant then and there knew, under the provisions of the Internal Revenue
laws, P.W.R. was entitled to claim a refund of only \$666.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FORTY-ONE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 15, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of P.W.R. for the calendar year 2007. The
return was false and fraudulent as to a material matter, in that it represented that
P.W.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
business loss of \$19,625.00, whereas, as the defendant then and there knew, under
the provisions of the Internal Revenue laws, P.W.R. was not entitled to claim a
business loss during the calendar year. The return was further false and fraudulent as
to a material matter, in that it represented that P.W.R. was entitled, under the provisions
of the Internal Revenue laws, to claim a student loan interest deduction of \$1,707.00,
whereas, as the defendant then and there knew, under the provisions of the Internal
Revenue laws, P.W.R. was not entitled to claim a student loan interest deduction. The
return was further false and fraudulent as to a material matter, in that it represented that
P.W.R. was entitled, under the provisions of the Internal Revenue laws, to claim a
refund of \$4,287.00, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, P.W.R. was entitled to claim a refund of only

\$1,196.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FORTY-TWO

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 15, 2005, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of DARRYL STANLEY HORTON and K.H. for the calendar year 2004. The return was false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON was entitled, under the provisions of the Internal Revenue laws, to claim a business loss of \$9,227.00 for Horton Associates, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, Horton Associates in fact had a net profit of \$17,192.00. The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON and K.H. were entitled, under the provisions of the Internal Revenue laws, to claim itemized deductions of \$42,958.00, including real estate taxes falsely overstated by \$2,508.00, falsely claimed points on interest paid of \$1,200.00, falsely claimed charitable donations by cash or check of \$4,744.00, and falsely claimed charitable donations to Goodwill of \$5,220.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, the total itemized deductions that they were entitled to claim for the calendar year was in fact \$29,162.00. The return was further false and fraudulent as to a material

matter, in that it represented that DARRYL STANLEY HORTON and K.H. were entitled, under the provisions of the Internal Revenue laws, to claim a child tax credit of \$2,450.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, the total child tax credit that they were entitled to claim for the calendar year was in fact \$1,150.00. The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON and K.H. were entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$11,849.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, tax was in fact due and owing to the Internal Revenue Service in the amount of \$1,028.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FORTY-THREE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 17, 2006, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of DARRYL STANLEY HORTON and K.H.
for the calendar year 2005. The return was false and fraudulent as to a material matter,
in that it represented that DARRYL STANLEY HORTON was entitled, under the
provisions of the Internal Revenue laws, to claim a business loss of \$14,930.00 for
Horton Associates, whereas, as the defendant then and there knew, under the
provisions of the Internal Revenue laws, Horton Associates in fact had a net profit of
\$29,565.00. The return was further false and fraudulent as to a material matter, in that
it represented that DARRYL STANLEY HORTON and K.H. were entitled, under the
provisions of the Internal Revenue laws, to claim itemized deductions of \$47,525.00,
including real estate taxes falsely overstated by \$3,508.00, home mortgage interest
falsely overstated by \$11,105.00, falsely claimed points on interest paid of \$1,890.00,
falsely claimed charitable donations by cash or check of \$3,788.00, and falsely claimed
charitable donations to Goodwill of \$5,288.00, whereas, as the defendant then and
there knew, under the provisions of the Internal Revenue laws, the total itemized
deductions that they were entitled to claim for the calendar year was in fact \$21,338.00.

The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON and K.H. were entitled, under the provisions of the Internal Revenue laws, to claim a child tax credit of \$2,350.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, the total child tax credit that they were entitled to claim for the calendar year was in fact \$150.00. The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON and K.H. were entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$14,662.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, tax was in fact due and owing to the Internal Revenue Service in the amount of \$5,767.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FORTY-FOUR

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about April 12, 2007, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of DARRYL STANLEY HORTON for the calendar year 2006. The return was false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON was entitled, under the provisions of the Internal Revenue laws, to claim an S-Corporation business loss of \$18,250.00 for Horton & Associates, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, Horton & Associates was not a registered S-Corporation and in fact had a net profit of \$44,435.00. The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON was entitled, under the provisions of the Internal Revenue laws, to claim itemized deductions of \$51,193.00, including home mortgage interest falsely overstated by \$7,736.00, falsely claimed points on interest paid of \$1,877.00, falsely claimed charitable donations by cash or check of \$3,250.00, falsely claimed charitable donations to Goodwill of \$2,025.00, falsely claimed unreimbursed employee vehicle expenses of \$5,596.00, and falsely claimed personal debt of \$3,000.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws,

the total itemized deductions that he was entitled to claim for the calendar year was in fact \$34,393.00. The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON was entitled, under the provisions of the Internal Revenue laws, to claim a child tax credit of \$950.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, the total child tax credit that he was entitled to claim for the calendar year was in fact \$0.00. The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON was entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$10,471.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, tax was in fact due and owing to the Internal Revenue Service in the amount of \$9,064.00.

In violation of Title 26 U.S.C. § 7206(2).

COUNT FORTY-FIVE

**(Aiding and Assisting in the Preparation and Presentation of a
False and Fraudulent Federal Income Tax Return)**

On or about January 11, 2008, in the Western District of Michigan, Southern
Division, the defendant,

DARRYL STANLEY HORTON,

a resident of Okemos, Michigan, did willfully aid and assist in, and procure, counsel,
and advise the preparation and presentation to the Internal Revenue Service, of a U.S.
Individual Income Tax Return, Form 1040, of DARRYL STANLEY HORTON for the
calendar year 2007. The return was false and fraudulent as to a material matter, in that
it represented that DARRYL STANLEY HORTON was entitled, under the provisions of
the Internal Revenue laws, to claim a business loss from rental real estate of
\$18,325.00, whereas, as the defendant then and there knew, under the provisions of
the Internal Revenue laws, the total business loss from rental real estate that he was
entitled to claim for the calendar year was in fact \$0.00. The return was further false
and fraudulent as to a material matter, in that it represented that DARRYL STANLEY
HORTON was entitled, under the provisions of the Internal Revenue laws, to claim an
S-Corporation business loss of \$18,865.00 for Horton & Associates, whereas, as the
defendant then and there knew, under the provisions of the Internal Revenue laws,
Horton & Associates was not a registered S-Corporation and in fact had a net profit of
\$47,557.00. The return was further false and fraudulent as to a material matter, in that
it represented that DARRYL STANLEY HORTON was entitled, under the provisions of
the Internal Revenue laws, to claim itemized deductions of \$68,011.00, including falsely

claimed charitable donations by cash or check of \$4,025.00, falsely claimed charitable donations to Goodwill of \$3,277.00, falsely claimed unreimbursed employee vehicle expenses of \$9,146.00, and falsely claimed personal debt of \$3,000.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, the total itemized deductions that he was entitled to claim for the calendar year was in fact \$57,148.00. The return was further false and fraudulent as to a material matter, in that it represented that DARRYL STANLEY HORTON was entitled, under the provisions of the Internal Revenue laws, to claim a refund of \$14,699.00, whereas, as the defendant then and there knew, under the provisions of the Internal Revenue laws, tax was in fact due and owing to the Internal Revenue Service in the amount of \$2,394.00.

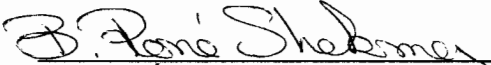
In violation of Title 26 U.S.C. § 7206(2).

A TRUE BILL

DONALD A. DAVIS
United States Attorney



GRAND JURY FOREPERSON



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Assistant United States Attorney
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